

**ASSEMBLY BILL**

**No. 821**

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**Introduced by Assembly Member Yamada**

February 21, 2013

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An act to amend Section 669 of the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 821, as introduced, Yamada. Insurance: motor vehicle insurance: cancellation: failure to renew.

Existing law, with regard to the cancellation or failure to renew a motor vehicle insurance contract, requires an insurer, before policy expiration to, among other things, deliver to or mail to the named insured, at the address shown on the policy, one of the following: (1) at least 20 days before expiration, a written or verbal offer of renewal of the policy, contingent upon payment of premium as stated in the offer, or (2) at least 30 days before expiration, a written notice of nonrenewal of the policy, including a required statement. A wilful violation of these provisions is a misdemeanor, punishable by a fine not exceeding \$1,000 per violation.

This bill would instead make a wilful violation of the above provisions subject to an administrative penalty, enforceable by the Insurance Commissioner, not to exceed \$1,000.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 669 of the Insurance Code is amended  
2 to read:  
3     669. Any insurer willfully violating any provisions of Section  
4 663 ~~is guilty of a misdemeanor and is punishable by a fine of~~  
5 *subject to an administrative penalty, enforceable by the*  
6 *commissioner*; not exceeding one thousand dollars (\$1,000) for  
7 each violation ~~thereof~~.

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